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MEMORANDUM OF CONVERSATION - Dr. Langer, Assistant Director for National 25X1A9a
Estimates and Estimates, Secretary of the
Economic Intelligence Committee, 10 August 1951

In response to the questions on the terms of reference for NIE-40 which were raised in the last meeting of the Economic Intelligence Committee (See Minutes EIC-M-3), Dr. Langer provided the following information:

- a. The submission of contributions to NIE-40 can be delayed one month. Dr. Langer will advise the IAC agencies that the new due date is 17 November 1951.
 - b. Greece and Turkey are not included in the terms of reference.
- c. In regard to the extrapolation of data to 1953 and 1954, Dr. Langer felt that it would not be absolutely necessary to select specific dates that would apply to all cases although it might be useful to select certain dates as bench marks. The question really is how long will it take the Soviets to effectively utilize the economy of Western Europe for war-making purposes. Moreover it would be useful to know what would be happening to the production of important items during the transitional period. If Navy is unable to provide quantitative data, then perhaps a qualitative statement would be sufficient. He suggests that the Economic Intelligence Committee use its discretion on this.
- d. Dr. Langer felt that it is definitely necessary to consider the Soviet bloc in the preparation of this paper, although ONE did not intend that a new research effort should be made on this. Rather it was felt that studies already available could be used. Further, it was the intention of ONE that sections on the Soviet bloc would not be as detailed as those on Western Europe, but would be used more as a guide to the subjects that should be covered in the study of Western Europe. He felt that the inclusion of the Soviet bloc is necessary if we are to determine the value of Western Europe to the Soviet bloc.
- e. In regard to the request for production data for World War II he judged that it would be useful to know what the Germans accomplished with the Western European economies during the last war even though the situation then is obviously not comparable in many ways with the situation assumed for NIE-40. Dr. Langer did not feel, however, that it would be necessary for Navy to supply quantitative data on this. Again he expressed the view that this is a matter that should be left to the discretion of the Economic Intelligence Committee. He suggested that perhaps a qualitative statement from Navy on this topic might be sufficient.